



USDA Foreign Agricultural Service

GAIN Report

Global Agriculture Information Network

Template Version 2.09

Voluntary Report - public distribution

Date: 8/19/2004

GAIN Report Number: MX4311

Mexico

Market Development Reports

Basket of Goods Price Survey for Mexico City

2004

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Report Highlights:

This report provides a price snapshot of post-defined products for sale in four Mexico City supermarkets. A brief description of the market and how the US products are positioned, as well as the current prices are presented. The products selected were: almonds, apples, peanut butter, ribeye steaks, cookies, rice, pet food, packaged salad mix, jelly, wine, grapes, processed turkey, canned soup, canned peaches, and instant oatmeal. The brands selected were those most commonly found in the four stores surveyed.

Includes PSD Changes: No
Includes Trade Matrix: No
Unscheduled Report
Mexico (MX)
[MX]

This report is a price snapshot of post-defined US products for sale in Mexican supermarkets. The products selected were: almonds, apples, peanut butter, ribeye steaks, cookies, rice, pet food, packaged salad mix, jelly, wine, grapes, processed turkey, canned soup, canned peaches, and instant oatmeal. Many are imported from the United States, while others are US brands produced in Mexico. Post evaluated the top four supermarkets in Mexico City- Superama, Gigante, Carrefour, and Comercial Mexicana. All prices are presented in Mexican pesos. The exchange rate for August 19, 2004 was 11.3 pesos. The survey was completed in August 2004.

Superama:

This supermarket was the smallest surveyed. These stores are neighborhood supermarkets that mainly offer groceries, household products, and limited food service. Superama, based on the policy of its parent company Wal-Mart, offers a 200% guarantee on produce and bakery products. US products are visible, but cramped aisles create difficulty in finding these products. Lastly, it had a specific section dedicated to Black Angus beef in the meat department.

Product	Brand	Origin	Price	Quantity
Almonds	Charney	Chile	27.40	140g can
Apples	Golden Delicious	USA	34.90	kg
Peanut Butter	Aladino	USA	29.15	340g
Ribeye Steak	Black Angus	USA	141.90	kg
Cookies	Oreos	Mexico	18.90	520g box
Rice	SOS	USA	9.70	1 kilo bag
Pet Food	Pedigree Dry Dog Food	USA	45.60	2 kilo bag
Salad Mix	Tanimura & Antle	USA	29.90	284g bag
Jelly	McCormick	Mexico	19.00	550g jar
Wine	Ernest & Julio Gallo Cabernet	USA	62.20	750 ml
Grapes	White Seedless	USA	38.50	kg
Processed Turkey	Oscar Mayer Turkey Ham	USA	37.90	227g
Canned Soup	Campbells Mushroom	USA	13.80	300g can
Canned Peaches	Great Value	USA	13.95	820g can
Instant Oatmeal	Quaker	USA	24.30	350g box

Gigante:

This supermarket has a large layout with many products beyond simple groceries much like a Super Wal-Mart or Super Target. Aisles offer signs to draw attention to many different products announcing deals on their respective products. What is impressive about Gigante is that in the produce section, there is a section devoted to US Apples and Pears specifically marked. Furthermore, in the meat department there are advertisements for US Meat. Though US products have good presence in Gigante, local products are often in better locations on the shelves.

Product	Brand	Origin	Price	Quantity
Almonds	NA	NA	NA	NA
Apples	Golden Delicious	USA	26.99	kg
Peanut Butter	Aladino	USA	29.10	340g
Ribeye Steak	NA	Mexico	189.00	kg
Cookies	Oreo	Mexico	19.90	520g box
Rice	SOS	USA	10.35	1 kilo bag
Pet Food	Pedigree Dry Dog Food	USA	49.50	2 kilo bag
Salad Mix	Ready Pack	USA	15.90	284g bag
Jelly	Smuckers	Mexico	21.30	550g jar
Wine	Ernest & Gallo Cabernet	USA	71.90	750 ml
Grapes	White Seedless	USA	19.99	kg
Processed Turkey	Oscar Mayer Turkey Ham	USA	39.80	227g package
Canned Soup	Campbells Mushroom	Mexico	13.00	300g can
Canned Peaches	La Costeña	Chile	21.65	800g can
Instant Oatmeal	Quaker	USA	25.50	350g box

Carrefour:

The Carrefour supermarket is a large hypermarket that offers electronics and clothing in addition to groceries. Unlike the other stores surveyed, Carrefour has an international feel with a small section dedicated to products from different countries like Argentina, the United States, and France. US products have good presence in this store, especially in the produce department where there is a banner advertising Washington Apples. On the downside, Carrefour was the only supermarket without advertising for US Meat in the meat department.

Product	Brand	Origin	Price	Quantity
Almonds	NA	NA	NA	NA
Apples	Golden Delicious	USA	23.30	kg
Peanut Butter	Aladino	USA	28.85	340g
Ribeye Steak	NA	Mexico	82.50	kg
Cookies	Oreos	Mexico	19.90	520g box
Rice	SOS	USA	9.50	1 kilo bag
Pet Food	Pedigree Dry Dog Food	USA	44.90	2 kilo bag
Salad Mix	Tanimura & Antle	USA	29.90	284g bag
Jelly	McCormick	USA	20.01	550g jar
Wine	Ernest & Julio Gallo Cabernet	USA	61.20	750 ml
Grapes	White Seedless	USA	27.20	kg
Processed Turkey	Oscar Mayer Turkey Ham	USA	37.69	227g package
Canned Soup	Campbells Mushroom	Mexico	12.65	300g can
Canned Peaches	Don Efe	USA	12.90	498g can
Instant Oatmeal	Quaker	USA	25.37	350g box

Comercial Mexicana:

Comercial is a large hypermarket that offers a variety of food service, clothing, and other products like electronics. Grocery aisles are wide and products are easy to find, especially US products. The only downside to this store is that the produce department is the smallest among stores surveyed, and mainly sells locally grown produce.

Product	Brand	Country	Price	Quantity
Almonds	Charney	Chile	28.01	140g can
Apples	Golden Delicious	Mexico	29.30	per kilo
Peanut Butter	Aladino	USA	28.90	340g jar
Ribeye Steak	NA	Mexico	103.90	per kilo
Cookies	Oreos	Mexico	8.90	520g box
Rice	SOS	USA	8.90	1 kilo bag
Pet Food	Pedigree Dry Dog Food	USA	37.95	2 kilo bag
Salad Mix	Tanimura & Antle	USA	32.00	284g bag
Jelly	McCormick	Mexico	18.39	550g jar
	Ernest & Julio Gallo			750ml
Wine	Cabernet	USA	63.90	bottle
Grapes	White Sedles	NA	NA	NA
Processed Turkey	Oscar Mayer Turkey Breast	USA	29.80	170g package
Canned Soup	Campbells Mushroom	Mexico	12.90	300g can
Canned Peaches	La Torre	USA	15.95	800g can
Instant Oatmeal	Avenal	Mexico	21.52	350g box

Summary

US brands have very good supermarket presence, but often are locally produced. Each supermarket markets itself in a unique way for US products, either by giving a specific area that identifies the origin of the product or by giving good shelf exposure. Carrefour has an advantage in marketing US products because it is a multinational supermarket chain that has more experience with dealing with imported products. Furthermore, Carrefour gives an international flavor that is not experienced with the other supermarkets. Gigante is second because of sections that identify US Meat, and US Apples and Pears; however, Mexican products are given better exposure and shelf space than US products. Superama is third because its cramped aisles make it a harder to find a US product, though they are given competitive shelf space with Mexican products. Comercial Mexicana is the weakest comparatively with the other supermarkets in terms of marketing US products due to its lack of specialized sections advertising US products like US Meat and Washington Apples.